



Western Canadian Coal

900 – 580 Hornby Street
Vancouver, B.C. V6C 3B6
Phone 604-608-2692

info@westerncoal.com
www.westerncanadiancoal.com

News Release

WTN09-14

WESTERN CANADIAN COAL REPORTS FISCAL FOURTH QUARTER AND FISCAL 2009 OPERATING AND FINANCIAL RESULTS

Vancouver, B.C., June 25, 2009 – Western Canadian Coal Corp. (TSX: WTN, WTN.DB & WTN.WT and AIM: WTN) (the “Company”) announces its operating results for the three and twelve month period ended March 31, 2009. During this period, the Company’s financial position continued to strengthen as a result of strong cash flow from operations. Net income for the fourth quarter of fiscal 2009 was \$47.6 million or earnings per share of \$0.23, on a basic and diluted basis. For the year ended March 31, 2009, the Company earned net income of \$214.5 million or earnings per share of \$1.17 and \$1.14 on basic and diluted basis, respectively.

Income from mining operations increased to \$58.8 million in the fourth quarter of 2009. This compares to the loss from mining operations of \$15.2 million in the similar period of the previous year. The increase over the fourth quarter 2008 was achieved primarily as a result of higher coal prices realized from the current coal year contracts and favourable foreign exchange rates, which led to coal sales of \$111.7 million. These sales were 48% higher than in the same quarter a year ago.

Coal shipments for the fourth quarter 2009 were 346,000 tonnes or 60% lower than the same quarter of 2008. The average realized price of \$316 per tonne in the current quarter was 263% higher than the same quarter of 2008. Favourable exchange rates also aided to the improved prices realized from the sale of the Company’s coal in this quarter over previous quarters. The lower shipment levels were the result of lower production levels and customer orders being deferred into subsequent quarters.

Coal production for the fourth quarter 2009 was 501,000 tonnes or 28% lower than the same quarter of 2008. Cash costs in the fourth quarter 2009 were \$136 per tonne as compared to \$95 per tonne in the fourth quarter 2008. The increase in the fourth quarter 2009 over the same period a year ago was primarily due to higher stripping ratios.

The balance sheet of the company continues to strengthen. When comparing the March 31, 2009 financial position to the March 31, 2008 position, the Company’s working capital position improved by \$218.0 million to a positive working capital position of \$145.6 million, including approximately \$75 million of cash in the bank. The Company’s debt to shareholders’ equity ratio improved to 0.42 from 2.81 over the same period a year ago.

On June 24, 2009, the Company's shareholders approved the acquisition of Cambrian Mining Plc (see May 20, 2009 and June 24, 2009 press release). The acquisition is expected to close on July 13, 2009. Upon closing, Western will issue approximately 89 million shares to Cambrian shareholders, 72.1 million shares of Western owned by Cambrian will be cancelled, \$29 million of Western's convertible debentures owned by Cambrian will be cancelled, Western's loan to Cambrian of \$40.6 million plus interest will be forgiven, and five days after closing, Western will redeem US\$ 27 million of Cambrian's notes.

The acquisition adds immediate value through the creation of a larger, stronger, and more diversified coal mining company. The new Western will have globally diversified operations in three key coal producing regions, product diversification with the inclusion of thermal coal, a more globally balanced sales program, an expansion of coal reserves and resources by 39% and 50%, 100% increase to current year coal production, significant cost savings, and will simplify the Company's corporate structure.

John Hogg, President & CEO stated, "The fortunes of the Company have greatly improved with the record coal prices in fiscal 2009. The Company took advantage of these record prices to strengthen its financial position, and catch up on waste removal, which resulted in higher stripping ratios and corresponding higher cash costs during fiscal 2009. The investment in waste removal has paid off as it has allowed the Company to remain competitive in these difficult market conditions. As an example, Wolverine's strip ratio since year-end has rapidly fallen towards the expected strip ratio of 12:1 for fiscal 2010. As such, all of the Company's operations are currently cash positive. The Company is in a position to react quickly to increased demand levels which we have already started to experience. We now expect to sell approximately 2.2 million tonnes of metallurgical coal, which is up from our previous guidance of 2.0 million tonnes for fiscal 2010. Our stronger balance sheet has also allowed us to grow the Company with the recent acquisition of our largest shareholder, Cambrian Mining Plc. The acquisition allows us to grow, strengthen and diversify our business to be even better positioned when market conditions improve."

News Release

This news release is prepared as at June 25, 2009 and should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2009 and notes contained therein, and Management's Discussion and Analysis (MD&A) for the same period. This news release does not constitute MD&A as contemplated by relevant securities rules. Western Canadian Coal Corp.'s audited financial statements and MD&A and the interim financial statements and MD&As for the periods referred to above are available on SEDAR at www.sedar.com under the Company's profile.

Financial Summary - unaudited:

(In thousands of Canadian dollars, except tonnes and per share data)

	March 31, 2009	March 31, 2008
Cash & cash equivalents	\$ 74,853	\$ 14,137
Accounts receivable	39,270	11,418
Inventory	62,376	24,173
Total current assets	217,943	54,552
Total assets	662,337	453,324
Current liabilities	\$ 72,304	\$ 126,891
Convertible debentures	61,729	140,411
Other long-term liabilities	62,896	67,032

Shareholders' equity	465,944	118,990
Total liabilities and shareholders' equity	662,337	453,324
Current ratio (current assets/current liabilities)	3.01	0.43
Debt to equity ratio (total debt/shareholders' equity)	0.42	2.81

	Three months ending		Twelve months ending	
	March 31,		March 31,	
	2009	2008	2009	2008
Tonnes sold	346,000	865,000	2,042,000	3,043,000
Revenue	\$ 111,684	\$ 75,291	\$ 586,093	\$ 252,489
Cost of goods sold	52,838	90,495	298,211	293,128
Income (loss) from mining operations	58,846	(15,203)	287,882	(40,639)
Other expenses	4,504	22,597	37,692	51,968
Income tax expense	6,740	-	35,658	13,380
Net income (loss)	\$ 47,602	\$ (37,801)	\$ 214,532	\$ (105,987)
Earnings (loss) per share, basic	\$ 0.23	\$ (0.33)	\$ 1.17	\$ (0.95)
Earnings (loss) per share, diluted	\$ 0.23	\$ (0.33)	\$ 1.14	\$ (0.95)

Included in the above balances and results are the Company's proportionate share of its interest in the results from the Belcourt Saxon joint venture.

Revenues

For the three month period ended March 31, 2009, total revenues were \$111,684,000 from the sale of 346,000 tonnes of coal. The average price per tonne realized during the period was \$323 or US\$256.

For the three month period ended March 31, 2008, total revenues were \$75,291,000 from the sale of 865,000 tonnes of coal. The average price per tonne realized during the period was \$87 or US\$87.

The primary reason for the 48% increase in the Company's total revenues over the comparable period in the prior year is the increase in sales price realized and the strengthening of the US dollar offset by a lower sales volume. The increase in sales price was a result of higher coal contract prices. The average exchange rate of the US dollar in relation to the Canadian dollar in the three month period ended March 31, 2008 was \$1.26 compared to \$1.00 in the comparable period in the prior year.

Cost of goods sold

Cost of goods sold for the three months ended March 31, 2009, including costs of product, transportation, and depletion, amortization and accretion charges totaled \$52,838,000 or approximately \$153 per tonne compared to \$90,495,000 or approximately \$105 per tonne in the fourth quarter of fiscal 2008. The higher costs in 2009, which are higher than levels currently being mined in fiscal 2010, was due to the higher stripping ratios incurred to remove the waste rock required for the Wolverine mine to get back to the life-of-mine plan. Cost of goods sold includes cost of production, transportation, and depletion, amortization and accretion charges as presented in the table below:

<i>(In thousands of Canadian dollars)</i>	Three month ended March 31,			
	2009	\$/tonne	2008	\$/tonne
Cost of product sold	\$ 38,722	\$ 112	\$ 59,236	\$ 69
Transportation and other	8,207	24	22,503	26
Depletion, amortization and accretion	5,909	17	8,756	10
Total cost of goods sold	\$ 52,838	\$ 153	\$ 90,495	\$ 105

Cost of product sold increased 62% in the current period's per unit cost of product sold over the comparable prior period was due to lower coal production volumes from the Company's Perry Creek Mine caused by higher stripping ratios and a lower coal yield experienced as a result of the areas being mined.

Transportation and other costs have decreased due to the change in the volumes of coal sold from the Perry Creek and Brule mines between the three month ended March 31, 2009 and 2008.

Depletion, amortization and accretion charges increased due to the additional depletion, amortization and accretion charges related to the Perry Creek mine assets that were acquired or brought into production or commissioned during fiscal 2008.

For the fourth quarter 2009, cash costs, which consist of cost of product and transportation costs, which is considered a key performance indicator for the industry, were \$136 per tonne compared to \$95 per tonne for the quarter ended March 31, 2008.

Income from mining operations

Income from mining operations for the three months ended March 31, 2009 was \$58,846,000 or 53% of sales. This compares favourably to the \$15,204,000 loss from mining operations in the three months ending March 31, 2008.

Other expenses

Other expenses, for the quarter ending March 31, 2009, were \$868,000 and include the following:

<i>(In thousands of Canadian dollars)</i>	Three months ending March 31,	
	2009	2008
General, administration and selling	\$9,566	\$ 9,804
Coal exploration and other mine costs	1,208	1,197
Interest and financing fees on long-term debt	3,114	9,893
Investment impairment	-	1,819
Unrealized loss on forward exchange contracts	1,501	-
Other (income) expense	(10,885)	(116)
Total other expenses	\$4,504	\$ 22,597

General, administration and selling costs decreased by \$238,000, or 2%, to \$9,566,000 for the quarter ended March 31, 2009 as compared to \$9,804,000 for the quarter ended March 31,

2008. The decrease is primarily related to the decrease in the stock based compensation expense. Stock based compensation expense decreased as a result of fewer stock options being issued in the fourth quarter of the current fiscal year compared to the comparable period in the prior fiscal year. This was offset by an increase in sales and marketing costs due to an accrual for the Wolverine Royalty Sharing agreement which is to allow for the potential liability in the event the Company's position is incorrect.

Coal exploration and other mine costs for the three months ended March 31, 2008 of \$1,208,000 were consistent with costs in fiscal 2008 totaling \$1,197,000. Exploration costs are charged to earnings in the period in which they are incurred, except where these costs relate to specific properties for which economically recoverable reserves have been established, in which case they are capitalized. Care and maintenance costs relate to the carrying costs of the Willow Creek mine.

Interest, accretion and deferred financing fees on long-term debt increased to \$3,114,000 compared to \$9,893,000 in 2008. In the fourth quarter of fiscal 2008 penalty fees were incurred by the Company and an adjustment of the accretion of the long-term debt was made a result of the change in its estimated life. Similar charges were not incurred in fiscal 2009. This balance has also decreased due to the conversions of convertible debentures throughout fiscal 2009 as well as the repayment of other liabilities during the year.

For the quarter ended March 31, 2009, the Company recorded \$1,501,000 of unrealized losses relating to its outstanding forward currency contracts. At March 31, 2008, the company did not have any forward currency contracts outstanding.

Other income amounted to \$10,885,000 for the three-month period ended March 31, 2009, an increase of \$10,769,000 over the year ended March 31, 2008 of \$116,000. The increase mainly relates to the royalty revaluation gain of \$7,981,000 and the gain on fair value adjustment of the investment of \$1,393,000 recorded during the quarter ended March 31, 2009. In the fourth quarter of fiscal 2008, the Company recorded an investment impairment of \$1,819,000 relating to its ABCP.

Net Income

Net income for the three month period ended March 31, 2009 was \$47,602,000 compared to a net loss of \$37,801,000 for the same period in the prior fiscal year. The net income reflects the previously discussed changes to Income from mining operations and Other expenses and an income tax expense of \$6,740,000 reflecting a current income tax expense of \$3,784,000 and a future income tax expense of \$3,956,000.

Market Outlook

All of the Company's current fiscal 2010 coal production is under contract for sale to international steel producers. Coal prices for fiscal 2010 are approximately US\$126 per tonne for hard coking coal and US\$90 per tonne for its ULV-PCI coal. Since coal deliveries during fiscal 2010 will include certain quantities of fiscal 2009 carryover tonnages, the average selling prices for coal to be delivered in fiscal 2010 are expected to be in the range US\$120 to US\$125 per tonne, which reflects pricing for both hard coking coal and ULV-PCI coal and carryover tonnages at fiscal 2009 prices.

The current economic downturn has resulted in significant cutbacks in steel production on the part of the Company's customers, in some cases as much as 50% below 2008 levels. This has

affected the short term demand for metallurgical coal, leading to production cutbacks at the Company's operations. Despite the significant curtailments by the Company's customers, the Company has achieved coal sale prices that are the second highest on record, which speaks well to the quality of the Company's coal and the service provided to customers. The Company further expects that the economic stimulus packages introduced by governments including the US, Japan and China will lead to increased steel production and therefore increase the demand for metallurgical coal. Already in China, there is higher construction activity in the first quarter of 2009, together with increased consumer spending in steel-based goods such as appliances and autos.

In the longer term, the market fundamentals for metallurgical coal should continue to improve which will provide continued opportunity for the Company to increase market diversity and market share. The Company's Wolverine hard coking coal forms a key blend component with many of the world's leading steel mills, while the Brule mine ULV-PCI coal is consistently ranked among the top PCI coals worldwide. These high quality and high demand coals, in conjunction with the region's highly efficient rail and port infrastructure with excess capacity, continue to provide the Company a competitive advantage to continue to grow and diversify.

Guidance

The Company now expects to produce approximately 1,800,000 tonnes of metallurgical coal from its two operating mines:

- Wolverine operations producing approximately 1,200,000 tonnes of hard coking coal
- Brule mine producing approximately 600,000 tonnes of ULV-PCI coal.

The increase in production levels is a result of increased demand from our customers. As a result, the Company now expects to ship approximately 2,200,000 tonnes of metallurgical coal which will consist of approximately 1,300,000 tonnes of hard coking coal and 900,000 tonnes of ULV-PCI. The Company has the flexibility to rapidly adjust production to respond to changes in demand for its coal.

The Company's Wolverine hard coking coal and Brule mine ULV-PCI coals have been sold to major steel mills throughout Asia and Europe, with long term supply agreements in place for the next three years.

The Company has hedged approximately 75% (or US\$195 million) of expected fiscal 2010 revenues with foreign exchange forward contracts at an average rate of C\$1.187 per US\$ 1.00. These contracts mature monthly from now to April 2010.

With the stripping ratios in fiscal 2010 expected to be lower than in fiscal 2009, cash costs are expected to be approximately C\$110 to C\$115 per tonne.

Liquidity and Capital Resources

The Company's aggregate operating, investing and financing activities during the year ended March 31, 2009 resulted in a net increase to cash of \$60,716,000. As at March 31, 2009, the Company's cash balance stood at \$74,853,000 and working capital was \$145,639,000. Working capital levels have increased over the prior year as a result of an increase in the coal prices for fiscal 2009 as well as higher inventory levels.

For the year ended March 31, 2009, the Company had positive cash flow of \$315,876,000 on coal sales from its Perry Creek and Brule mines of \$582,457,000 before depletion, amortization

and accretion and working capital changes, while for the year ended March 31, 2008, a cash flow deficit of \$9,516,000 on coal sales of \$252,489,000 was recorded.

As at March 31, 2009, the Company had not drawn into its short-term credit.

In light of the current economic situation, the Company has significantly reduced its planned capital expenditures for fiscal 2010 to approximately \$3,000,000 to \$4,000,000. Cash flow from operations is expected to fund the fiscal 2010 capital expenditures program. The Company is closely monitoring the current economic situation and will continue to review its capital programs in light of the volatility.

Conference Call - REVISED

The Company will be hosting a conference call to discuss the fourth quarter 2009 operating results at 7:00am (Pacific) on June 26, 2009. To participate on the call, dial either 1-800-731-5319 or 416-644-3426. The call will also be webcast live on the Company's website at www.westerncanadiacoal.com. For replay access please dial either 416-640-1917 or 1-877-289-8525

About Western Canadian Coal

Western Canadian Coal Corp. produces high quality metallurgical coal from mines located in the northeast of British Columbia. The coal is sold to many of the top steelmakers in the world. The Company also has interests in various coal properties in northern and southern British Columbia and a 50% interest to explore and develop the Belcourt and Saxon group of properties in northern BC. Currently, these properties provide the company with an estimated 15 years of coal reserves at current production levels. For more information, please visit www.westerncanadiancoal.com

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Many of these assumptions are based on factors and events that are not within the control of Western and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include changes in market conditions, variations in coal recovery rates, risks relating to operations, fluctuating coal prices and currency exchange rates, changes in project parameters, the possibility of unanticipated costs and expenses, labour disputes and other risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, the business of the companies not being integrated successfully or such integration proving more difficult, time consuming or costly than expected as well as those risk factors discussed in the Annual Information Form for the year ended March 31, 2008 for Western available on www.sedar.com. Although Western has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Western undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

WESTERN CANADIAN COAL CORP.

"John Hogg"

President and Chief Executive Officer

For further information:

David Jan

Director, Investor Relations

Phone: 604-608-2692

Email: djan@westerncoal.com